

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|-----------------------------|---|-----------------|
| PURCHASED WATER ADJUSTMENT |) | |
| OF SOUTHEAST DAVIESS COUNTY |) | CASE NO. 94-177 |
| WATER DISTRICT |) | |

O R D E R

On May 2, 1994, Southeast Daviess County Water District ("Southeast Daviess") filed an application to adjust its rates pursuant to the purchased water adjustment procedure, KRS 278:015 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Southeast Daviess purchases water from Owensboro Municipal Utilities ("Owensboro").

2. Effective June 1, 1994, Owensboro will increase its rates for wholesale water from \$1.051 per 1,000 gallons to \$1.114 per 1,000 gallons.

3. Southeast Daviess proposed to increase the rates to its customers effective June 1, 1994.

4. During the 12 months ending March 31, 1994, Southeast Daviess purchased 563,865,600 gallons of water and sold 501,672,930 gallons.

5. Southeast Daviess' calculations are correct and show an increase in purchased water cost of \$35,523.53, resulting in a purchased water adjustment of 7 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to

Southeast Daviess' customers will increase 35 cents from \$12.17 to \$12.52, an increase of 3 percent.

6. The purchased water adjustment of 7 cents per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable and should be approved.

7. Southeast Daviess has proposed to increase the rates to customers that are classified as non-users. Insofar as these customers do not use any water, the proposed increase to non-users should be denied.

IT IS THEREFORE ORDERED that:

1. The proposed rate increase to non-users is hereby denied.

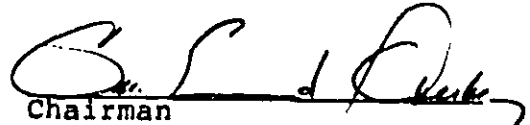
2. The purchased water adjustment of 7 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after June 1, 1994.

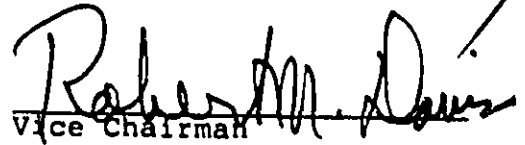
3. Within 30 days of the date of this Order, Southeast Daviess shall file its revised tariff setting out the rates approved herein.

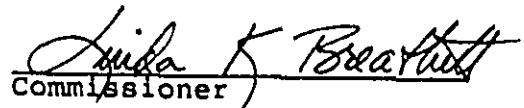
4. Within 30 days of the date of this Order, Southeast Daviess shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 24th day of May, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-177 DATED May 24, 1994.

The following rates and charges are prescribed for the customers in the area served by Southeast Daviess County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

| <u>Gallons Per Month</u> | <u>Rates</u> |
|--------------------------|------------------------|
| First 2,000 Gallons | 6.82 Minimum Bill |
| Next 8,000 Gallons | 1.90 Per 1,000 Gallons |
| Next 10,000 Gallons | 1.79 Per 1,000 Gallons |
| Next 20,000 Gallons | 1.68 Per 1,000 Gallons |
| Over 40,000 Gallons | 1.59 Per 1,000 Gallons |
| To Other Water Districts | 1.34 Per 1,000 Gallons |